

PROPOSITION 1E

Date: July 20, 2006

Disaster Preparedness and Flood Prevention  
Bond Act of 2006.

Chapter 33, Statutes of 2006 (AB 140).

Sponsor: Assembly Member Núñez

**BALLOT LABEL**

**DISASTER PREPAREDNESS AND FLOOD PREVENTION  
BOND ACT OF 2006.**

This act rebuilds and repairs California's most vulnerable flood control structures to protect homes and prevent loss of life from flood-related disasters, including levee failures, flash floods, and mudslides; it protects California's drinking water supply system by rebuilding delta levees that are vulnerable to earthquakes and storms; by authorizing a \$4.09 billion dollar bond act. Fiscal Impact: State costs of approximately \$8 billion over 30 years to repay bonds. Reduction in local property tax revenues of potentially up to several million dollars annually. Additional unknown state and local operations and maintenance costs.

**SUBJECT TO COURT  
ORDERED CHANGES**

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## **BALLOT TITLE & SUMMARY**

### **DISASTER PREPAREDNESS AND FLOOD PREVENTION BOND ACT OF 2006.**

- This act rebuilds and repairs California's most vulnerable flood control structures to protect homes and prevent loss of life from flood-related disasters, including levee failures, flash floods, and mudslides.
- Protects California's drinking water supply system by rebuilding delta levees that are vulnerable to earthquakes and storms.
- Authorizes a \$4.09 billion dollar bond act.
- Appropriates money from the General Fund to pay off bonds.

### **Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:**

- State cost of about \$8 billion over 30 years to pay off both the principal (\$4.1 billion) and interest (\$3.9 billion) costs on the bonds. Payments of about \$266 million per year.
- Reduction in local property tax revenues of potentially up to several million dollars annually.
- Additional unknown state and local government costs to operate or maintain properties or projects acquired or developed with these bond funds.

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ORDERED CHANGES**